

## Washington State Employment Security

Sylvia P. Mundy, Commissioner

## For Immediate Release

Date: December 9, 2003

## www.wa.gov/esd

Media Contacts: Jerry Iyall, (360) 902-9669 Kristin Alexander, (360) 902-9307 Michael Wilson, (360) 902-9317

## **Extended Unemployment Benefits Program May End in Washington**

OLYMPIA – Washington's Extended Benefits program that provides assistance to laid-off workers who have exhausted other unemployment benefits is likely to end next month, the Washington State Employment Security Department announced today.

The U.S. Department of Labor is responsible for making the official determination whether Extended Benefits will continue based on unemployment rate figures scheduled to be announced Dec. 19. If the program ends, no claimants would receive Extended Benefits payments for weeks after Jan. 10, 2004, and those now receiving Extended Benefits would not be eligible for further unemployment benefits.

"Preliminary forecasts indicate that the unemployment rate will not be high enough for Washington to continue to qualify for Extended Benefits," Employment Security Commissioner Sylvia P. Mundy said. "We understand this news comes at a difficult time, as many workers who should be enjoying the holidays with their families are still struggling to find jobs and make ends meet."

"Although we have consistently reminded the public that these benefits could end abruptly, some people may be surprised," Mundy continued. "Employment Security is doing everything possible to keep unemployment claimants informed as benefit changes are announced and to refer them to resources to help them return to work as quickly as possible."

Employment Security is mailing notices this week to approximately 9,050 people who recently filed Extended Benefits claims, as well as 17,400 who are expected to qualify for the program in coming weeks, to inform them of the possibility that their benefits may end. However, the department will not know exactly how individuals will be affected until after Dec. 19.

Additional information will posted online at go2ui.com as it becomes available. Should the Extended Benefits program be discontinued, the department will notify all affected individuals at that time.

Each month, about 8,600 people exhaust regular unemployment benefits.

Most are then eligible for up to 26 weeks of additional payments through another program known as federal Temporary Emergency Unemployment Compensation (TEUC) benefits. That program is scheduled to end Dec. 27 unless Congress approves legislation to renew it.

Extended Benefits are a last resort for claimants who have already exhausted regular unemployment benefits and TEUC. The program provides up to 13 additional weeks of benefits, although most claimants receive up to nine weeks after other benefits are paid.

About 7,100 people are now paid Extended Benefits. About 3,200 people become eligible each month.

Extended Benefits became available in Washington in January 2002 as a result of the state's sharply increased unemployment rate. Funding for these benefits is split between the state and the federal government.

For the program to continue, Washington's three-month seasonally adjusted total unemployment rate must be 1) at least 6.5 percent and 2) at least 10 percent higher than the same three-month period in 2002 or 2001. This second requirement is commonly referred to as a "look-back" provision.

The seasonally adjusted total unemployment rate for the period covering September, October and November is expected to be 7.1 percent, less than the 7.6 percent rate required by the look-back provision to remain in Extended Benefits. (Unemployment rates for the same periods in 2002 and 2001 were 7.1 and 6.9, respectively.)

To reach that 7.6 percent rate would require another 47,500 people out of work.

Once Extended Benefits end, the state can not start a new Extended Benefits Program for at least 13 weeks.

The state's WorkSource centers provide resources to help people in their search for work. For locations and a searchable job database, see the WorkSource Web site at <a href="http://go2worksource.com">http://go2worksource.com</a>. For more information about TEUC and Extended Benefits, visit <a href="http://go2ui.com">http://go2ui.com</a>.

#####

**News Media**: A new document provides answers to most frequently asked media questions concerning unemployment benefits programs. It is available online at <a href="http://www.wa.gov/esd/ui/ebinfo.htm">http://www.wa.gov/esd/ui/ebinfo.htm</a>.